

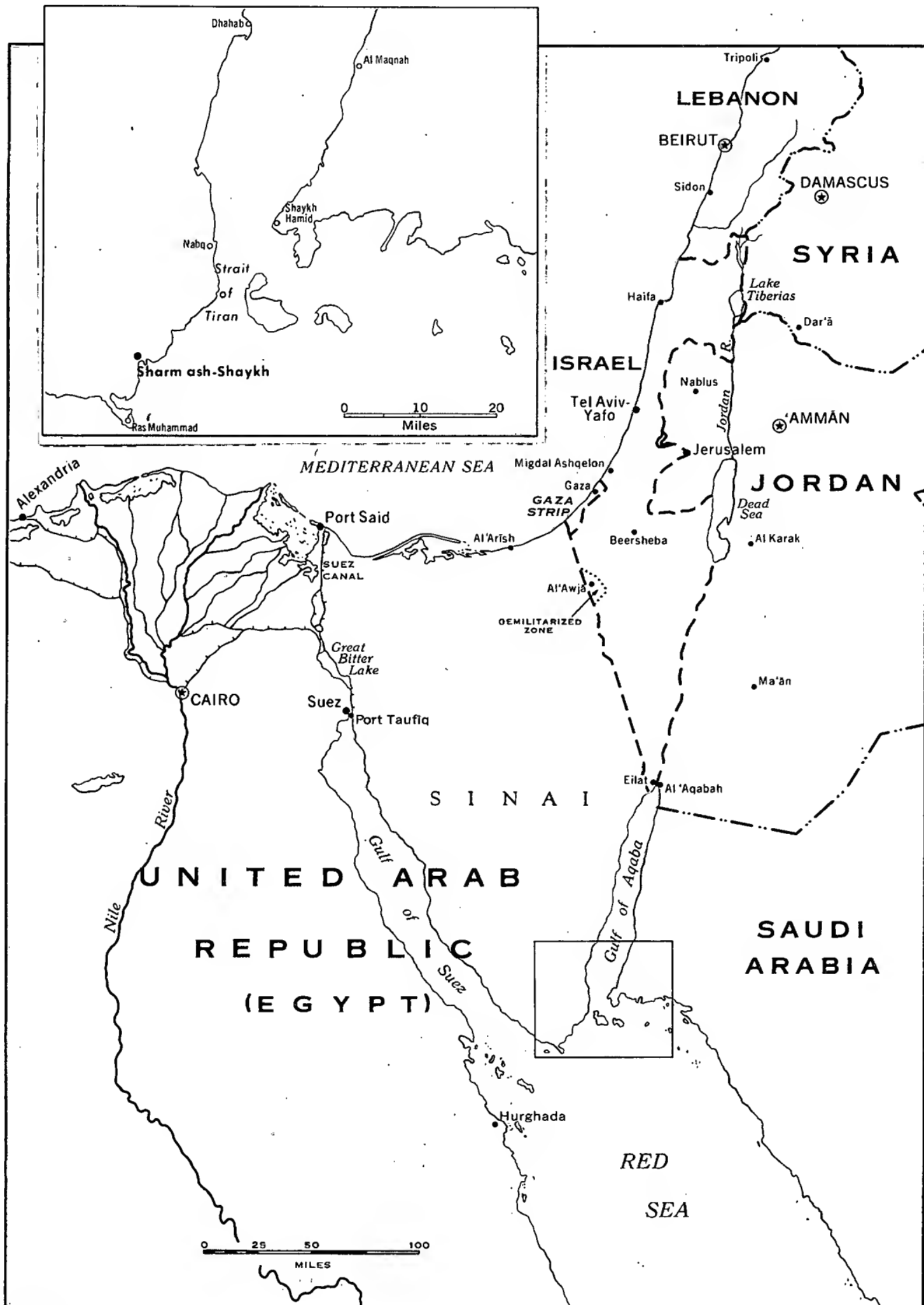


The President's Daily Brief

~~Top Secret~~ 23 May 1967



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DAILY BRIEF
23 MAY 1967

1. Arab States -
Israel
(As of 5:45 AM
EDT)

More than 12 hours have passed since Nasir threw down the gauntlet and announced closure of the Gulf of Aqaba to Israeli shipping. The Israelis have made it clear such action would be considered a cause for war.

The only Israeli reaction reported so far has been Foreign Minister Eban's early morning telephone call to Ambassador Barbour reporting Nasir's statement and suggesting President Johnson be informed. Eban did not elaborate.

The Israelis may be planning a preemptive strike, but the fact they did not hit Egyptian positions at first light this morning (Tel Aviv is six hours ahead of Washington) suggests they may be waiting until the Egyptians try to stop a ship.

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The Egyptians have a coastal artillery battery in position to block the mouth of the Gulf. Air and naval units are stationed nearby at Hurghada. When the Israelis strike, however, they are not likely to confine themselves to these targets.

UN Secretary General U Thant arrives in Cairo this morning and he undoubtedly will try to pull Nasir back from the brink. U Thant's prospects are considered slim.

If Israel attacks Egypt, Syria would become involved. Iraq and Algeria might offer military aid. Support from the other Arab states would be more vocal than practical. We still believe the Israelis are capable of defeating any combination of Arabs.

Moscow has not commented on Nasir's latest move, but we think the Russians are not likely to get directly involved with their military forces. The Soviets, however, will continue to back Nasir from the political side and they may ante up more weapons for the Egyptians.

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2. South Vietnam

Former premier Tran Van Huong, the leading civilian contender for the presidency, told an officer of the US Embassy on Sunday that he will announce his candidacy formally this week. The 63-year-old Huong seems to have come to the conclusion that the increasingly open competition between Ky and Thieu has greatly improved his chances of winning the presidency.

Huong's remarks suggest that he intends to ride hard on the theme of corruption in the government.

3. Hong Kong

The British are getting tougher. Yesterday all public gatherings were banned and truncheon-swinging Hong Kong police moved in on the mobs under clouds of riot gas. Both the ban and the casualties inflicted by police are sure to spark further disorders.

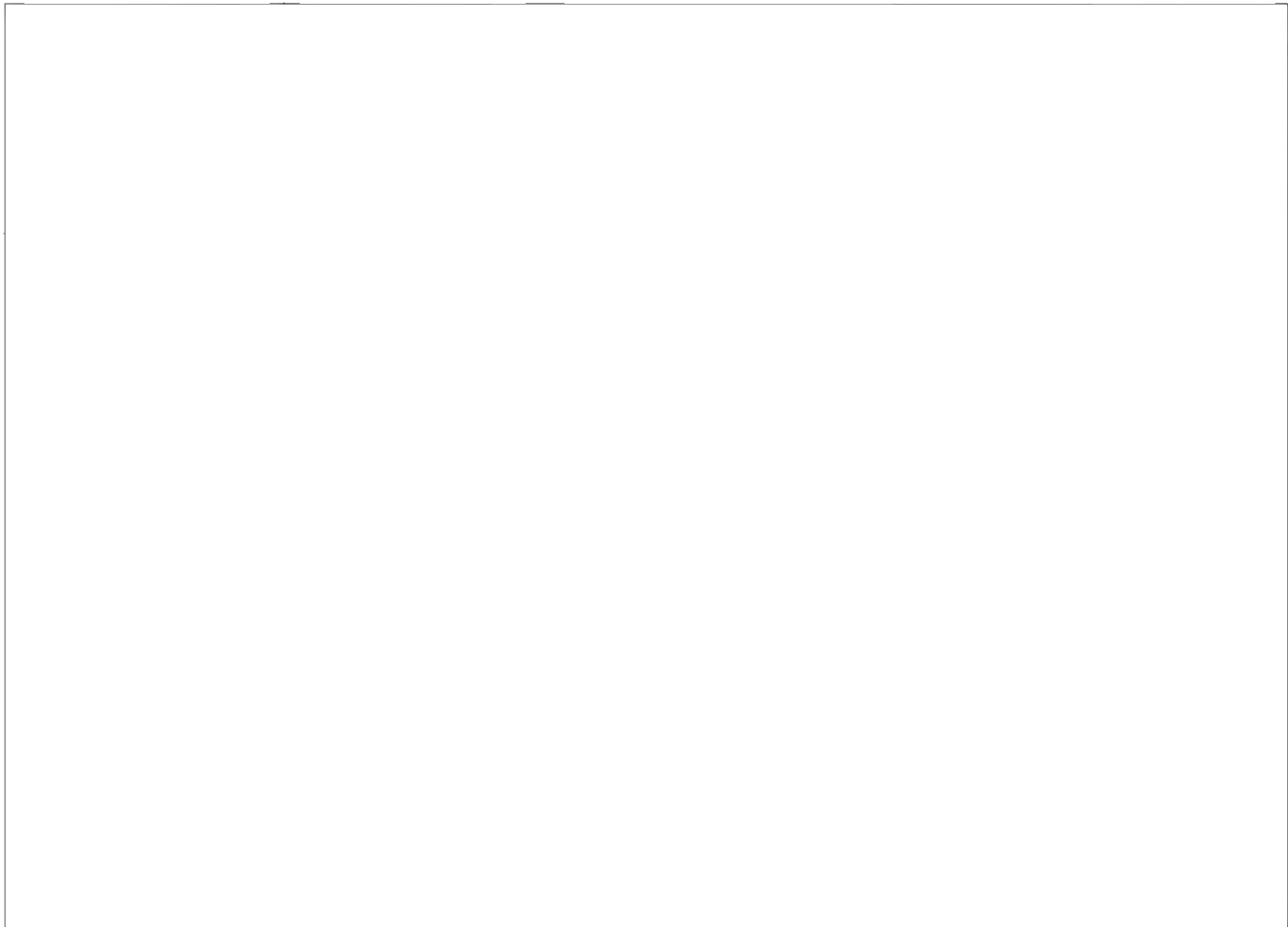
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Peking's latest action has been to order the British representative out of Shanghai.

4. Dominican Republic

Balaguer's balance of payments situation is sliding downhill despite the recent increase in the Dominican share of US sugar imports. Last Friday, US officials confronted the Central Bank's governor and asked what the Dominicans planned to do. He replied that the two obvious courses were to crack down on imports and ask for more US aid.

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5. Soviet Union

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6. India

The government is jittery over the security situation in West Bengal and particularly in the vital port city of Calcutta. The Communists are the strongest element in West Bengal's coalition government and officials in New Delhi believe the seeds of revolution are being sown. The central government is prepared to intervene, but wants to step carefully lest it give the Communists a pretext for calling out the street mobs.

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